

PLEASE RETURN THIS AS PAGE 1 OF THE COMPLETED APPLICATION

PLEASE FILL IN ALL BLANKS

TO: PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 1088
SALEM OR 97308-1088

FROM:

Lakeshore Water Company, LLC

(Company name)

620 SW Fifth Ave, Suite 1100
(Address)

Portland, OR 97204
(City, State, Zip)

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of Tariffs for Water Service)
in the State of Oregon filed by) BRIEF
Lakeshore Water Company, LLC)
(Company name))

Thomas J. Puttman

(Name of utility owner)

In accordance with Oregon Revised Statutes 757.205 and 757.220, herewith files tariff sheets designated as PUC Oregon No. 5, Original Tariff Sheets No. 1 through 21 to become effective in two phases: YEAR 1, for service rendered on and after January 1st, 2024 (at least 30 days after PUC receives the filing); and YEAR 2, for service rendered on and after January 1st, 2025. The purpose of this filing is to:

- 1) [X] Establish rates resulting in total annual revenues of \$45,397 for YEAR 1 and total annual revenues of \$63,051 for YEAR 2.
2) For YEAR 1, this is an [X] increase or [] decrease to the utility's total annual revenues from \$18,243 to \$45,250, resulting in a net increase of \$27,007 or 148.04 percent. After deducting for operating expenses, the projected revenues will produce a 2.24 percent return on a rate base of \$317,105.
For YEAR 2, this is an [X] increase or [] decrease to the utility's total annual revenues from \$45,250 to \$62,847, resulting in a net increase of \$17,597 or 38.89 percent. After deducting for operating expenses, the projected revenues will produce a 7.75 percent return on a rate base of \$317,105.

The attached testimony summarizes the utility's financial operations, the effects of current rates on the individual classes of customers, and the effects of YEAR 1 and YEAR 2 proposed rates on the individual classes of customers for the 12-month test period ending on December 31, 2022.

[Handwritten Signature]
(Signature of utility owner or officer)

Thomas J. Puttman
(Printed name of owner or officer)

Lakeshore Water Company, LLC
(Legal name of utility)

4/26/2023
(Date)
Manager
(Title or position)

April 27, 2023

**RE: Customer Notice
General Rate Case Filing with the Oregon Public Utility Commission**

This notice is to inform customers that Lakeshore Water Company (“Utility”) has filed a general rate revision with the Oregon Public Utility Commission (“PUC”). This notice provides general information regarding the proposed changes and the effect it will have on customers’ bills if approved by the PUC.

Proposed Rate Adjustment

Lakeshore Water Company prepared a general rate case filing based on PUC rate case methodology and submitted the rate case to the PUC on April 26, 2023. The 2023 rate case filing proposes an increase in rates over a two-year period. The average monthly bill will increase 148.0% in Year 1 and will then increase 38.9% in Year 2. The proposed rate adjustment is requested to go into effect on January 1, 2024.

We anticipate the proposed rate adjustment will change average monthly water service costs as follows:

Service Size	Current Cost	Proposed Cost Year 1 (Beginning 1/1/2024)	Proposed Cost Year 2 (Beginning 1/1/2025)
Residential 5/8”			
Base Rate (\$/month)	\$30.63	\$46.17	\$64.13
Volumetric Rate (\$/100 gal)	\$0.30	\$0.60	\$0.83
Average Monthly Bill	\$46.07	\$76.96	\$106.88

Why the Proposed Rate Adjustment?

From 1999 until January 2023 of this year, rates at Lakeshore Water Company had been unchanged. Last year, the Utility filed a general rate case that captured the increase in operating costs to the Utility that had occurred over those two decades. That rate case did not account for recent capital costs related to the Utility’s construction of a new water treatment plant and storage tank, to replace the originals that had reached their useful life while improving water quality and service reliability. This capital improvement project involved:

- New 40,000 gallon steel storage tank
- New treatment plant building
- New treatment plant equipment
- New distribution system pumping equipment
- New treatment plant controls
- Treatment plant security improvements including new fencing

Please see the attached before and after photos for further detail.

Oregon PUC Rate Case Process & Customer Participation

Lakeshore Water Company held an Open House in 2022 to discuss the water system, capital investments, operating cost increases, and the need to adjust rates to provide for financial viability of the Utility.

Customers may request to receive notice of the time and place of any hearing on the proposed rate adjustment by contacting the Public Utility Commission of Oregon, Administrative Hearings Division, at 503-378-6678.

Copies of the Utility's application, testimony, and exhibits are available at Lakeshore Water Company's main office. To receive a copy, please write to or email:

Lakeshore Water Company
PO Box 6620
Portland, OR 97228
customerservice@puttman.com

The calculations and statements contained in the Utility's filing and this notice are not binding on the PUC.

Lakeshore Water Company is glad to provide additional information about the rate case process. If you are interested, please contact customer service at 971-703-4242 or email customerservice@puttman.com.

Sincerely,
Lakeshore Water Company

Copies to:

1. PUC Administrative Hearings Division, PO Box 1088, Salem OR 97308
2. City of Veneta, PO Box 458, Veneta OR 97487

Attachment: Treatment Plant & Tank Replacement Project

Before



After



WATER UTILITY TESTIMONY

1. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY:

A.

Legal Name	Lakeshore Water Company, LLC		
Business Address	620 SW Fifth Ave, Suite 1100		
City, State, Zip	Portland, OR 97204		
Telephone Number	(503) 224-3454	Emergency Number	877-711-2755
Fax Number		Email Address	erica.clark@puttman.com

2. Q. PROVIDE THE FOLLOWING INFORMATION IF DIFFERENT FROM QUESTION #1.

A.

Name	Thomas J. Puttman		
Title	Manager		
Address	620 SW Fifth Ave, Suite 1100		
City, State, Zip	Portland, OR 97204		
Telephone Number	(503) 224-3454	Emergency Number	
Fax Number		Email Address	thomas.puttman@puttman.com

3. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE SYSTEM OPERATOR.

A.

Operator Name	Oregon Water Services - Dan Reitz		
Address	30086 Federal Lane		
City, State, Zip	Eugene, OR 97400		
Telephone #	(541) 342-1718	E-Mail Address	owsbrandi@gmail.com
Certified Operator <input checked="" type="checkbox"/> yes <input type="checkbox"/> no	Certification Level 1	Registration Number D-6528, T-6528	

4. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY ACCOUNTANT OR BOOKKEEPER.

A. The utility's accountant or bookkeeper is:

Name	Puttman Infrastructure, Inc. - David Kononen		
Address	620 SW Fifth Ave, Suite 1100		
City, State, Zip	Portland, OR 97204		
Telephone Number	(503) 224-3454		
E-Mail Address	david.kononen@puttman.com		

5. Q. PROVIDE THE NAME, ADDRESS, AND TELEPHONE NUMBERS OF ALL THE UTILITY OWNERS.

A. The utility owners are:

Name	Infrastructure Capital Holdings, LLC		
Address	620 SW Fifth Ave, Suite 1100		
City, State, Zip	Portland, OR 97204		
Telephone Number	(503) 224-3454		

(Attach additional page[s] if necessary)

6. Q. PLEASE LIST ALL UTILITY OFFICERS AND PROVIDE THE FOLLOWING INFORMATION.

A. The utility officers are:

Name	Thomas J. Puttman		
Title	Manager		
Address	620 SW Fifth Ave, Suite 1100		
City, State, Zip	Potland, OR 97204		
# of Hours Worked		Annual Salary	\$
Phone Number	(503) 224-3454		
E-Mail Address	thomas.puttman@puttman.com		

7. Q. WHAT IS YOUR AFFILIATION WITH THE WATER UTILITY? DESCRIBE YOUR CURRENT WATER UTILITY RESPONSIBILITIES.

A. My affiliation with the water utility and current responsibilities are: General Manager

8. Q. ARE YOU ENGAGED IN OTHER BUSINESS IN ADDITION TO THE WATER UTILITY?

- A. No, I am not engaged in other business.
 Yes, I am engaged in other business, they are Utility investment, development, and management.

9. Q. DID YOU PREPARE THE EXHIBITS IN THIS TESTIMONY OR WERE THEY PREPARED UNDER YOUR SUPERVISION?

- Yes, the exhibits in this testimony were prepared by me or under my supervision.
 No, I did not prepare the exhibits in this testimony. The exhibits were prepared by:

Name	
Address	
City, State, Zip	
Telephone Number	
E-Mail Address	

SUMMARY OF THE UTILITY'S PROPOSED RATE REQUEST

10. Q. WHAT CHANGE IN ANNUAL REVENUES IS THE UTILITY SEEKING?

A. The utility's most recent calendar year revenues are \$18,243. The utility seeks a phased-in rate increase, as follows:

For YEAR 1, an increase of \$27,007 or 148.04 percent in current annual revenues, resulting in total annual revenues of \$45,250.

For YEAR 2, an increase of \$17,597 or 38.89 percent in current annual revenues, resulting in total annual revenues of \$62,847.

11. Q. SUMMARIZE WHY THE UTILITY IS SEEKING THE PROPOSED CHANGE IN RATES.

A. Lakeshore Water Company built a new treatment plant in 2022, in the interest of replacing aging equipment and improving customer water quality. This project consisted of:

- Disposal of aging tanks, treatment fixtures, plumbing, and treatment plant structure
- New storage tank
- New treatment plant building, including electrical and plumbing
- New chemical feed
- New backwash filter
- New media purifier
- Gravel and liner
- Gated chain link fence

In addition, there were three emergency leak repairs and one meter replacement.

We are seeking changes in rates because current revenues are insufficient to cover the ongoing costs of continuing to provide safe, reliable, and adequate service while allowing an opportunity for a reasonable return on the utility's needed capital investment. In an effort to mitigate any burden caused by this rate increase, Lakeshore Water Company is requesting that it be phased in over two years, with the first phase not to come into effect until 2024.

12. Q. WHAT HISTORICAL 12-MONTH PERIOD IS THE UTILITY SELECTING AS ITS TEST YEAR FOR THIS RATE PROCEEDING?

A. The test period the utility selected is January 1, 2022 to December 31, 2022.

13. Q. WHAT IS THE UTILITY'S AMOUNT OF RATE BASE? (Rate base is Utility Plant minus accumulated depreciation and other contra plant accounts, plus working cash and materials inventory)

A. The utility rate base at the end of the Test Year is \$317,105.

14. Q. WHAT IS THE RATE OF RETURN THE UTILITY IS PROPOSING IN THIS RATE PROCEEDING AND WHY?

A. For YEAR 1, the Utility is seeking a 2.24 percent rate of return. For YEAR 2, the utility is seeking a 7.75 percent rate of return on rate base because it is a usual, customary, and reasonable return based on the level of risk involved in the water industry. These risks include environmental changes, local and global weather fluctuations, natural disasters, changes in the regulatory and legal environments at the national, state and local levels, customer usage variations, and volatility of the

housing market; all of which have a disproportionately large impact on smaller utilities such as Lakeshore Water Company. Without the requested increase in base rates, the Utility would expect a loss of 6.20% in the Test Year.

GENERAL UTILITY INFORMATION

15. Q. IN WHAT YEAR WAS THE UTILITY ORGANIZED AND HOW WAS IT FORMED?

A. The water utility was legally organized on 10/12/2018, under the laws of the State of Oregon as a:
 Proprietorship Partnership Corporation LLC Other: _____

16. Q. WHAT YEAR WAS THE WATER SYSTEM ORIGINALLY CONSTRUCTED AND WHEN (MONTH/YEAR) DID IT BEGIN PROVIDING WATER SERVICE.

A. The system was originally constructed in 1990, began providing service on or around 1990.

17. Q. HOW AND WHEN WAS THE UTILITY ACQUIRED BY ITS CURRENT OWNER?

A. The utility was: Purchased Constructed Inherited Other on 5/2019 (mo./yr.).

18. Q. DO ORAL OR WRITTEN CONTRACTS EXIST BETWEEN THE UTILITY AND PERSONS AFFILIATED WITH THE COMPANY? IF YES, PLEASE PROVIDE COPIES OF EACH CONTRACT.

A. No, oral or written contracts **exist** between the utility and its owners and affiliated interests.
 Yes, PUC approved contracts exist between the utility and its owners and affiliated interests. Approval found in PUC Order No. 20-060.
 Yes, oral or written contracts do exist, but have not been approved by PUC

19. Q. DOES THE UTILITY HAVE A PUC APPROVED SERVICE TERRITORY?

A. No, the utility has not filed an application with PUC for an approved service territory.
 Yes, the utility's service territory is approved by the PUC, per Order No. _____.

20. Q. IS THE UTILITY AN AFFILIATE OF A PARENT CORPORATION OR HOLDING COMPANY?

A. No, the utility **is not a subsidiary** of a parent corporation or holding company.
 Yes, the utility is a subsidiary of a parent corporation or holding company.
 Attached are the parent/holding company's balance sheet/income statements for the last calendar year.

21. Q. HOW MANY FULL OR PART-TIME EMPLOYEES DOES THE UTILITY CURRENTLY EMPLOY?

A. The utility currently employs 0 full-time and 0 part-time employees.

22. Q. PROVIDE INFORMATION FOR ALL EMPLOYEES. (If a position is currently vacant but will be filled within a year, include information for that position.)

A. Current employee detail is listed below:

Name	Position	Responsibilities	Schedule	Wage/Salary
				\$
				\$
				\$
TOTAL				\$

23. Q. IS THE UTILITY PROPOSING TO ADD ANY FULL OR PART TIME EMPLOYEES WITHIN THE CONTEXT OF THIS RATE FILING OR DURING THE NEXT YEAR?

- A. **No**, the utility does not propose adding any full- or part-time employees.
 Yes, the utility proposes to add _____ full-time and/or _____ part-time employees as described below:

Proposed Position	Responsibilities/Duties	Schedule	Wage/ Salary
			\$
			\$
			\$

24. Q. PLEASE IDENTIFY ANY INDEPENDENT CONTRACTORS THE UTILITY HIRES.

- A. **No**, the utility does not contract for any services.
 Yes, the utility contracts for the following services:

Name of Independent Contractors	Description of Services	Annual Charges
		\$
		\$

25. Q. PLEASE PROVIDE THE UTILITY’S CURRENT CAPITAL STRUCTURE.

- A. The utility’s capital structure is:

Debt	Original Balance	Outstanding Balance	Loan Terms	Interest Rate
TOTAL DEBT	\$ 0	\$		
TOTAL EQUITY	\$ 435,757	\$		
<i>SAMPLE</i>				
<i>Debt</i>	<i>Original Bal.</i>	<i>Current Bal.</i>	<i>Terms</i>	<i>Interest Rate</i>
<i>John Doe Bank</i>	<i>\$15,000</i>	<i>\$7,000</i>	<i>10 years</i>	<i>8.75 %</i>
<i>Utility Equity</i>		<i>\$10,000</i>		<i>9.5 %</i>

OPERATING REVENUES

26. Q. IN COLUMN A PROVIDE UTILITY'S HISTORICAL TEST YEAR ACTUAL REVENUE. IN COLUMN B PROVIDE THE PROPOSED ADJUSTMENTS (INCREASE OR DECREASE). IN COLUMN C PROVIDE THE TOTAL OF COLUMN A AND B.

A. Test period revenues, proposed revenue adjustments, and proposed revenue results are below:

Acct #	OPERATING REVENUE	Test Year \$	YEAR 1 Proposed Adj.	(A + B = C) \$	YEAR 2 Proposed Adj.	(C + D = E) \$
460	Unmetered Water Sales	\$		\$		\$
461	Metered Residential Water Sales	\$18,243	\$ 27,007	\$45,250	\$17,597	\$62,847
461	Metered Commercial/Industrial Water Sales	\$		\$		\$
461	Metered Sales to Public Authorities	\$		\$		\$
461	Metered Sales to Multiple Family Dwellings	\$		\$		\$
461	Metered Sales to Multiple Commercial Unit/Bldg	\$		\$		\$
461	Sales to Water Hauling Services	\$		\$		\$
462	Fire Protection Sales Revenue	\$		\$		\$
464	Special Contract Water Sales to Public Authorities	\$		\$		\$
465	Irrigation Water Sales	\$		\$		\$
466	Water Sales for Resale	\$		\$		\$
467	Golf Course Revenue	\$		\$		\$
468	Special Contract Revenue	\$		\$		\$
	Other	\$		\$		\$
TOTAL REVENUE		\$18,243	\$ 27,007	\$45,250	\$17,597	\$62,847

27. Q. PLEASE PROVIDE LINE ITEM REVENUES FOR OTHER THAN WATER SALES.

A. The following is an itemized list of all revenues other than water sales:

DESCRIPTION OF REVENUE OTHER THAN WATER SALES	ANNUAL AMOUNT
Miscellaneous Fees (i.e. late fees, disconnections, field visits, etc.)	\$ 0
Backflow Prevention Device Services (if offered)	\$ 0
Rents from Water Property Acct 472	\$ 0
Other (specify)	\$ 0
TOTAL	\$ 0

OPERATING EXPENSES

28. Q. IN COLUMN A: ACTUAL ANNUAL EXPENSE FOR TEST YEAR. IN COLUMN B: PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. IN COLUMN C: PROVIDE THE TOTAL OF COLUMN A PLUS COLUMN B.

A. Test period expenses, proposed expense adjustments, and proposed expense results

Acct #	OPERATING EXPENSES	Test Year \$	YEAR 1 Proposed Adjustment	(A + B = C) \$	No Proposed Adj. in YEAR 2
601	Salaries & Wages – Employees	\$ 0		\$	
603	Salaries & Wages – Officers, Directors	\$ 0		\$	
604	Employee Pensions and Benefits	\$ 0		\$	
610	Purchased Water	\$ 0		\$	
611	Telephone/Communications	\$2,550		\$ 2,550	
615	Purchased Power	\$1,520		\$1,520	
616	Fuel for Power Production	\$ 0		\$	
617	Utility Services (garbage, gas)	\$ 0		\$	
618	Chemicals/Treatment Expense	\$401		\$401	
619	Office Supplies	\$310		\$310	
619.1	Postage	\$360		\$360	
620	Materials/Supplies (O&M)	\$52		\$52	
621	Repairs to Water Plant	\$405		\$405	
631	Contractual Services – Engineering	\$ 0		\$	
632	Contractual Services – Accounting	\$ 0		\$	
633	Contractual Services – Legal	\$ 0		\$	
634	Contractual Services – Mgmt Fees	\$3,368		\$3,368	
635	Contractual Services – Testing	\$643		\$643	
636	Contractual Services – Labor	\$3,300		\$3,300	
637	Contractual Services – Billing/Collect	\$3,515		\$3,515	
638	Contractual Services – Meter Reading	\$7,800		\$7,800	
639	Contractual Services – Other	\$51		\$51	
642	Rental of Equipment	\$		\$	
643	Small Tools	\$		\$	
648	Computer/Electronic Expense	\$		\$	
650	Transportation Expense	\$144		\$144	
656	Insurance – Vehicle	\$		\$	
657	Insurance – General Liability	\$410		\$410	

Acct #	OPERATING EXPENSES	Test Year \$	Proposed Adjustment	(A + B = C) \$	No Proposed Adj. in YEAR 2
658	Insurance – Workers' Compensation	\$	\$		
659	Insurance – Other	\$1,807		\$1,807	

660	Public Relations/Advertising Expense	\$	\$		
666	Amortization of Rate Case Expense	\$3,453	\$	\$3,453	
667	Gross Revenue Fee	\$51		\$51	
671	Cross Connection Control Program	\$	\$		
670	Bad Debt Expense	\$	\$		
673	Training and Certification Expense	\$	\$		
674	Consumer Confidence Report	\$355	\$	\$355	
675	Miscellaneous Expenses				
OE1	Other Expense 1 – Professional Services				
OE2	Other Expense 2 – Permit Fees		-		
OE3	Other Expense 3 – PUC				
401	TOTAL OPERATING EXPENSES	\$30,494		\$30,494	

Acct #	OTHER REVENUE DEDUCTIONS	Test Year	Proposed Adjustment	(A + B = C) \$	No Proposed Adj. in YEAR 2
403	Depreciation Expense	\$2,185	-	\$2,185	
406	Amortization of Plant/ Acquisition Adj.	\$	\$		
407	Amortization Expense	\$	\$		
408	Taxes Other Than Income	\$	\$		
408.1 1	Property Tax		-		
409.1 0	Federal Income Tax	\$4,036	-	\$4,036	
409.1 1	Oregon Income Tax	\$1,358	-	\$1,358	
409.1 3	Extraordinary Items Income Tax	\$	\$		
TOTAL REVENUE DEDUCTIONS		\$38,074		\$38,074	

29. Q PROVIDE LINE ITEMS COMPONENTS OF MISCELLANEOUS EXPENSE.

A. The following is an itemized list of all miscellaneous expenses:

DESCRIPTION OF MISCELLANEOUS EXPENSES	ANNUAL COST
TOTAL	\$

UTILITY CURRENT RATES AND SCHEDULES

30. Q. PLEASE DESCRIBE THE UTILITY'S CURRENT RATES.

A. The utility's current rate structure is described below:

CURRENT RATES FOR RESIDENTIAL SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Current Residential Monthly Commodity/Usage Rate
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$30.63	None	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$0.30 per 100 gal Per Tier 2 - \$ Per Up to: Above: 0

31. Q. PLEASE PROVIDE THE FOLLOWING FOR EACH CUSTOMER CLASS FOR THE MOST RECENT COMPLETED CALENDAR YEAR OF 2022.

(Count each dwelling unit, such as each mobile home, each side of the duplex, each condominium as a customer.)

A. Please note, the following reflects the test year of January 1, 2020 through December 31, 2020.

Customer Class	Number of Customers at Start of Year	Number of Customers at End of Year	Total Annual Revenues	Total Annual Consumption	Cubic Feet or Gal
Residential	49	49	\$ 18,243	3,026,700	<input type="checkbox"/> CF <input checked="" type="checkbox"/> Gal
TOTAL	49	49	\$ 18,243	3,026,700	<input type="checkbox"/> CF <input checked="" type="checkbox"/> Gal

UTILITY PROPOSED RATES AND SCHEDULES

32. Q. PLEASE DESCRIBE THE RATE STRUCTURE THE UTILITY IS PROPOSING IN THIS RATE PROCEEDING?

A. The utility is proposing the following rate structure:

PROPOSED RATES FOR RESIDENTIAL SERVICE (YEAR 1)

Line or Meter Size	Check One	Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Proposed Residential Monthly Commodity/Usage Rate
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$46.17	None	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$0.60 Per 100 Gal. Tier 2 - \$ Per Up to: Above: 0

PROPOSED RATES FOR RESIDENTIAL SERVICE (YEAR 2)

Line or Meter Size	Check One	Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Proposed Residential Monthly Commodity/Usage Rate
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$64.13	None	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$0.83 Per 100 Gal. Tier 2 - \$ Per Up to: Above: 0

33. Q. IF THE UTILITY’S RATE PROPOSAL WERE ADOPTED, PROVIDE THE FOLLOWING FOR EACH CUSTOMER CLASS AT THE SPECIFIED METER OR LINE SIZE.

A. For YEAR 1, the utility’s **PROPOSED** number of customers, and average customer monthly bill and consumption for each customer class annual revenues, is shown below.

Customer Class	Number of Customers	Average Monthly Bill	Average Monthly Consumption	Total Annual Revenue
Residential 5/8”	49	\$ 76.96	5,147 gal	\$ 45,250

For YEAR 2, the utility’s **PROPOSED** number of customers, and average customer monthly bill and consumption for each customer class annual revenues, is shown below.

Customer Class	Number of Customers	Average Monthly Bill	Average Monthly Consumption	Total Annual Revenue
Residential 5/8”	49	\$ 106.88	5,147 gal	\$ 62,847

UTILITY PLANT

34. Q. HAS THE UTILITY MADE ANY CAPITAL IMPROVEMENTS, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM DURING THE LAST FIVE (5) YEARS OR SINCE ITS LAST RATE CASE?

- A. No, the utility has made no improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case.
 Yes, the utility has made the following improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case as detailed below (See Revenue Requirement Model for breakdown):

Capital Improvement/ Plant Description	Date Purchased Or Constructed	Cost (including labor)	In Service Date
Electronic/Computer Equipment	Apr.2022-Sep.2020	\$9,625	Sep. 2020
Meters and Meter Installations	Oct. 2022	\$817	Oct. 2022
Organization	Dec.2019-Dec. 2022	\$22,204	Dec. 2022
Structures and Improvements	May - Oct. 2022	\$62,500	Oct. 2022
Collecting and Impounding Reservoirs	Sep. 2021-Oct. 2022	\$123,021	Oct. 2022
Pumping Equipment	Mar. 2020-Jan. 2022	\$16,683	Jan. 2022
Water Treatment Equipment	Dec. 2019-Dec. 2022	\$68,529	Dec. 2022
Land and Land Rights	May.2019-Aug. 2022	\$12,525	Aug. 2022
Distribution Reservoirs and Standpipes	Nov. 2021	\$1,301	Nov. 2021
Transmission and Distribution Mains	Jul. 2021-Nov. 2021	\$2,531	Nov. 2021
Services	Nov. 2022	\$1,921	Nov. 2022

35. Q. DOES THE UTILITY PROPOSE ANY CAPITAL IMPROVEMENT, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM WITHIN THE NEXT 12 MONTHS?

- A. **No**, the utility does not propose any improvements, additions, or extensions to system plant in the next six months.
 Yes, the utility proposes the following improvements, additions, or extensions to system plant in the next six months.

Future Plant Description	Estimated Cost (including labor)	Est. Date In Service
	\$	
	\$	
	\$	
	\$	
	\$	

36. Q. HAS THE UTILITY APPLIED FOR FUNDS FROM THE SAFE DRINKING WATER STATE REVOLVING FUND TO IMPROVE THE WATER SYSTEM? IF YES, DESCRIBE THE IMPROVEMENTS AND AMOUNT REQUESTED.

- A. **No**, the utility has not applied for funds from the Safe Drinking Water State Revolving Fund.
 Yes, the utility has applied for funds from the Safe Drinking Water State Revolving Fund.

37. Q. PROVIDE THE FOLLOWING INFORMATION ON UTILITY PLANT IN SERVICE.

You may attach a plan/depreciation schedule if available. In a separate schedule include all plant or cash donated or contributed to the utility by a developer or by customers that is not intended to be repaid.

A. Utility plant is shown below: See attached Depreciation Schedule

ACCT #	UTILITY PLANT ACCOUNTS	IN SERVICE DATE	ORIGINAL COST
301	Organization		\$
302	Franchises		\$
303	Land & Land Rights		\$
304	Structures & Improvements		\$
305	Collecting/Impounding/Reservoirs		\$
306	Lake, River & Other Intakes		\$
307	Wells & Spring		\$
308	Infiltration Galleries & Tunnels		\$
309	Supply Mains		\$
310	Power Generation Equipment		\$
311	Pumping Equipment		\$
320	Water Treatment Equipment		\$
330	Distribution/Reservoirs/Standpipes		\$
331	Transmission & Distribution Mains		\$
333	Services		\$
334	Meters & Meter Installation		\$
335	Hydrants		\$
336	Cross Connections (Utility Owned)		\$
339	Miscellaneous Plant & Equipment		\$
340	Office Furniture & Equipment		\$
341	Transportation Equipment		\$
343	Tools, Shop & Garage Equipment		\$
344	Laboratory Equipment		\$
345	Power Operated Equipment		\$
346	Communication Equipment		\$
347	Electronic/Computer Equipment		\$
348	Miscellaneous Equipment		\$
TOTAL			\$

38. Q. IN COLUMN A: PROVIDE ACTUAL PLANT TOTAL FOR TEST YEAR. IN COLUMN B: PROVIDE THE PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. IN COLUMN C PROVIDE THE TOTAL OF COLUMN A PLUS COLUMN B.

A. Rate Base elements are shown below:

UTILITY PLANT	Test Year	YEAR 1 Proposed Adj.	(A + B = C)	No Proposed Adj. in YEAR 2
Total Utility Plant (from above)	\$321,657	-	\$321,657	
SUBTRACT Accumulated Depreciation of Utility Plant In Service	\$4,552	-	\$4,552	
SUBTRACT Accumulated Amortization of Utility Plant In Service	\$	-		
SUBTRACT Advances For Construction	\$	-		
SUB TOTAL	\$317,105	-	\$317,105	
ADD Plant Material/Supplies Inventory		-		
ADD Working Cash (1/12 total operating expense)	\$2,541	-	\$2,541	
TOTAL	\$319,646	-	\$319,646	

39. Q. DOES THE UTILITY HAVE A MASTER METER AT ITS WATER SUPPLY SOURCE? IF SO, PROVIDE THE TOTAL AMOUNT OF WATER PUMPED DURING THE LAST CALENDAR YEAR.

- A. No, the utility does not have a master meter at its water supply source.
 Yes, the utility has a master meter at its water supply source. The total amount of water pumped during the last calendar year was 3,026,700 gallons or cubic feet. Reflects Test Year (January 01, 2022 – December, 2022)

40. Q. DOES THE UTILITY HAVE WATER RIGHT PERMITS OR CERTIFICATED WATER RIGHTS AS REQUIRED BY THE OREGON WATER RESOURCES DEPARTMENT? A. Water Right Information: N/A.

41. Q. PLEASE DESCRIBE THE UTILITY’S SOURCE OF WATER SUPPLY.

- A. The utility’s source of ground water supply is: Well
 Well logs are attached.

42. Q. PLEASE DESCRIBE THE UTILITY’S PUMPING SYSTEM FOR DISTRIBUTION, INCLUDING THE RANGE OF PRESSURE AT WHICH THE WATER IS PUMPED INTO THE DISTRIBUTION SYSTEM AND DELIVERED TO THE CUSTOMERS.

- A. Pumping System: Please see below.

Pump Type & Pump HP	Ave Daily Demand	Annual Peak Demand	Max Pumping Capacity	Pressure at Pump	Pressure at Customers' Property
(2) Booster Pump with VFD - 7.5 HP	14,000 GPD	30,000 GPD	100 GPM	70 PSI	50 PSI

43. Q. PLEASE PROVIDE THE INFORMATION REGARDING THE UTILITY'S WATER STORAGE CAPACITY BELOW.

A.

STORAGE TANKS/RESERVOIRS					
IDENTIFY EACH SEPARATELY					
NAME OR IDENTIFYING NUMBER	DESCRIPTION I.E.: STEEL, CONCRETE PNEUMATIC	TANK CAPACITY	GROUND OR ELEVATED	DATE INSTALLED	PRESENT CONDITION
STORAGE TANK 1	STEEL	43,020 GAL	ELEV	2022	NEW

44. Q. PLEASE FILL IN THE INFORMATION REGARDING THE UTILITY'S WATER TREATMENT FACILITIES BELOW.

A.

WATER TREATMENT FACILITIES				
NAME OR IDENTIFYING NO.	TYPE	MAKE	GALLONS PER DAY CAPACITY	METHOD OF MEASUREMENT
IRON REMOVAL	IMBF-1354	IMPRESSION SERIES FILTER	28,000 GPD	
CHLORINATION	STENNER 85MPHP17	STENNER PUMPS	17 GPD	

45. Q. IS THE UTILITY ESTABLISHING NEW RULES OR PROPOSING CHANGES TO ITS CURRENT RULES?

- A. The utility is proposing to establish new rules.
 The utility is not proposing any rule changes.
 The Utility is proposing to change the following rules (include rule number and a summary of the proposed changes.

RULE NUMBER	PROPOSED CHANGE

SERVICE QUALITY

46. Q. PLEASE DESCRIBE THE TYPE AND NUMBER OF SERVICE PROBLEMS AND CUSTOMER COMPLAINTS THE UTILITY HAS EXPERIENCED IN THE LAST YEAR. DESCRIBE ANY ACTION TAKEN BY THE UTILITY TO RESOLVE THE PROBLEMS.

A. **No**, the Utility has not experienced any service problems or customer complaints in the last year.

Yes, the Utility has experienced service problems and/or customer complaints as listed below and has taken the following steps to correct or improve them: One customer has repeatedly complained of a chlorine smell in their water. Management reviewed weekly chlorine readings (taken at plant) with operator, who believes they are appropriate. Customer service has arranged for operator to take a chlorine reading at customer's home with their consent. This will occur shortly. A second customer has complained of iron in the water. Utility plans to study in 2023 implementation of targeted distribution line upgrades in 2024, to address these known iron issues.

47. Q. DOES THE UTILITY HAVE ANY CURRENT SERVICE PROBLEMS THAT IT PROPOSES TO CORRECT OR IMPROVE IN THE NEXT CALENDAR YEAR?

A. **No**, the utility does not have any service problems that it proposes to correct/improve during the next calendar year.

Yes, the utility has service problems that it proposes to correct or improve during the next calendar year as described below: The utility will continue to monitor chlorine readings, record, and respond promptly to any complaints. Regarding iron, the utility plans to replace rusting distribution lines in a targeted, cost-effective way in 2024, and is likely to conduct an engineering study in 2023 in anticipation of this.

50. Q. DOES THE UTILITY HAVE ANY FIRE HYDRANTS? IF YES, PLEASE LIST HOW MANY, HOW MANY FEET APART ARE THEY, AND THE UTILITY'S HYDRANT MAINTENANCE SCHEDULE (INCLUDING EXERCISING VALVES). WHAT IS THE UTILITY'S FIRE INSURANCE RATING?

A. **No**, the utility does not have any fire hydrants.

Yes, the utility does have fire hydrants. There are 1 number of hydrants located _____ feet apart. The utility's fire insurance rating is _____.

51. Q. IS THE UTILITY CURRENT WITH ALL OF THE OREGON DEPARTMENT OF HUMAN SERVICES DRINKING WATER PROGRAM (DWP) REQUIREMENTS? IF NOT, PLEASE DESCRIBE THE REQUIREMENTS THE UTILITY HAS NOT COMPLIED WITH.

A. **Yes**, the utility is current in all its DWP requirements.

No, the utility is not current all its DWP requirements. It has not complied with _____

52. Q. IF YOU HAVE FEWER THAN 200 TOTAL CUSTOMERS, PLEASE ATTACH A CURRENT AND COMPLETE CUSTOMER MAILING LIST. INCLUDE EACH CUSTOMER'S NAME AND MAILING ADDRESS.

A. I have over 200 customers.

I have fewer than 200 customers and have attached a customer mailing list.

53. Q. WOULD YOU LIKE TO TESTIFY REGARDING OTHER ISSUES?

A. **No.**

Yes, I would like to testify additionally regarding the following:
Attach pages with additional testimony.

54. Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

**Containing Rules and Regulations
Governing Water Utility Service**

NAMING RATES FOR

LAKESHORE WATER COMPANY
PO BOX 6620
PORTLAND, OR 97228

(971) 703-4242

Serving water in the vicinity of
Veneta, Oregon

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Table of Contents

<u>Schedule No.</u>		<u>Page No.</u>
	Title Page	1
	Table of Contents	2
1	Residential Metered Rates	3
2	Miscellaneous Service Charges	4
	Rules and Regulations	5

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

SCHEDULE NO. 1
RESIDENTIAL METERED RATES

Available: To customers of the Utility at Veneta, Oregon, and vicinity.

Applicable: To residential premises.

Base Rate

SERVICE METER SIZE	YEAR 1 MONTHLY BASE RATE	YEAR 2 MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch	\$46.17	\$64.13	0
¾ inch	\$63.07	\$87.60	0
1 inch	\$105.07	\$145.42	0
1½ inches	\$210.14	\$290.84	0
2 inches	\$336.22	\$465.43	0
3 inches	\$630.41	\$872.68	0

Commodity Usage Rate

YEAR 1 COMMODITY RATE	YEAR 2 COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.5980	\$0.8306	Per Unit	1 unit = 100 gallons

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

SCHEDULE NO. 9

MISCELLANEOUS SERVICE CHARGES

This schedule lists the miscellaneous charges included in the Utility’s Rules and Regulations; refer to the appropriate Rules for an explanation of charges and conditions under which they apply.

Connection Charge for New Service (Rule Nos. 8 & 9)

Standard ¾-inch service	At cost
Nonstandard ¾-inch service	At cost
Larger than ¾-inch	At cost
Irrigation hookup (if provided on separate system)	At cost

Meter Test (Rule Nos. 19 & 20)

First test within 12-month period	N/C
Second test within 12-month period	<u>At cost</u>

Pressure Test (Rule No. 39)

First test within 12-month period	N/C
Second test within 12-month period	<u>At cost</u>

Late-Payment Charge (Rule No. 21)

Pursuant to OAR 860-036-1400

Deposit for Service (Rule No. 5)

Pursuant to OAR 860-036-1220

Returned-Check Charge (Rule No. 22)

At cost

Trouble-Call Charge (Rule No. 35)

During normal office hours	At cost
After normal office hours on special request	At cost

Disconnection/Reconnect Charge (Rule Nos. 28 & 29)

During normal office hours	<u>At cost</u>
After normal office hours on special request	<u>At cost</u>

Unauthorized Restoration of Service (Rule No. 30)

Disconnection/Reconnection charge plus costs

Damage/Tampering Charge (Rule No. 28)

At cost

Disconnect Site-Visit Charge (Rule No. 29)

At cost

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

RULES AND REGULATIONS

Rule 1: Jurisdiction of the Commission

Water systems are subject to regulation as provided under ORS [Chapter 757](#)

Rule 2: Definitions

- A. "Applicant" means a person who does not meet the definition of a customer, who applies for service with a water utility.
- B. "Commission" shall mean the Public Utility Commission of Oregon.
- C. "Commercial service" means water service provided by the water utility that the customer uses in the promotion of a business or business product that is a source of revenue or income to the customer or others using the premises.
- D. "Customer" means a person who is currently receiving water service and is entitled to certain rights as a customer under these rules. A residential customer retains customer status for 20 calendar days following voluntary disconnection of service and must be treated as a customer if he or she reapplies for service within that 20 calendar day period.
- E. "Customer's service line" is defined as the facilities used to convey water from the point of connection to the customer's point of usage. The customer owns and maintains the customer service line.
- F. "Residential service" means water service provided for domestic or irrigation purposes in a residential area and is not considered a commercial service.
- G. "Served" for purpose of delivery of any required notice or document, unless otherwise specifically noted, means: delivered in person, by personal contact over the telephone, or in writing delivered to the party's last known address. If delivered by US Mail, the notice is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.
- H. "Utility" shall mean: LAKESHOREpo WATER COMPANY
- I. "Water service connection" is defined as the facilities used to connect a water utility's distribution network to the point of connection at the customer's service line. The water utility owns and maintains the water service connection.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

APPLICATION FOR SERVICE

Rule 3: Information for Applicants and Customers ([OAR 860-036-1100](#))

The Utility shall provide or be able to provide customers or applicants with the following information:

- A. A copy of its approved tariffs or statement of rates;
- B. A copy of the utility’s rules and regulations applicable to the type of service being provided; and
- C. The option to receive electronic copies of all written notices to be issued on the customer’s account.

Rule 4: Application for Service ([OAR 860-036-1200](#))

Application for water service must be made for each individual property to be served. The application shall identify the name of the applicant, the service address, the billing address, the contact information where the applicant can be reached, the type of water service requested and its intended use, and the name to be used to identify the account, if different than the applicant’s actual name. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for service and shall not be accepted until the applicant establishes credit as set forth in [OAR 860-036-1210](#).

An application for service must be made where:

- A. An applicant, who has not previously been served by the Utility, requests service; or
- B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is requested; or
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the type of use to which the water is put, or the number of premises served.

Rule 5: Establishment of Credit, Surety Agreements, Deposits, Interest, and Refunds of Deposits ([OAR 860-036-1210](#), [1220](#), [1230](#), [1240](#), [1250](#), and [1260](#))

The utility may require an applicant or customer to pay a deposit as a guarantee of payment for services provided. Amounts held by a water utility may not exceed one-sixth of the actual or estimated annual billing for the premises. ([OAR 860-036-1220](#))

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

The water utility may adjust the deposit amount when a customer moves to a new location within the water utility's service area, and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit. ([OAR 860-036-1220\(5\)](#))

The Utility must inform any residential applicant or customer who is required to pay a deposit of the opportunity to provide a written surety agreement in lieu of paying the deposit. A surety agreement obligates another qualifying residential customer of the same utility to pay an amount up to the required deposit if the secured account is later disconnected and a balance remains owing following the due date for the closing charges. To qualify as a surety, the other residential customer must have had 12 months of continuous service with the Utility without a late payment. ([OAR 860-036-1230](#))

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid its water service bills for 12 consecutive months without having had service discontinued for nonpayment, or did not have more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by **(check one)** ([OAR 860-036-1250](#) and [1260](#)):

- 1. Issuing the customer a refund check, or
- 2. Crediting the customer's account; however, a customer is entitled to a refund upon request pursuant to [OAR 860-036-1260](#).

Rule 6: Customer Service Line ([OAR 860-036-1300\(2\)](#))

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. For non-metered service, the customer service line begins at the property line or utility-owned shut-off valve. For metered service, the customer service line begins on the customer's side of the meter or utility-owned shut-off valve. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer service line or any portion of the customer's plumbing. All leaks in the customer service line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

Rule 7: Separate Control of Service

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Rule 8: Water Service Connections ([OAR 860-036-1300](#))

The water service connection is defined as the facilities used to connect the Utility’s distribution network to the point of connection at the customer’s service line. The Utility owns, operates, maintains, and replaces the service connection when necessary and promptly repairs all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the Utility’s service lines or any portion of the Utility’s plumbing.

Rule 9: Service Connection Charge ([OAR 860-036-1300\(3\)](#))

An applicant requesting permanent water service to a premise not previously supplied with permanent service by the Utility may be required to pay the cost of the service connection, including or excluding the meter as provided in Rule No. 8 and the Utility’s Miscellaneous Service Charges in this tariff.

Rule 10: Main Line Extension Policy ([OAR 860-036-1310](#))

A main line extension is defined as the extension of the Utility's main line necessary to provide service to a customer when the property does not currently have main line frontage.

The Utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant’s property line to the point the applicant’s service line would be at a 90-degree angle to the street or main line.

Main line extension charges, if any, are stated in the Utility's tariff or statement of rates.

The Utility maintains a main line extension policy that lists all applicable charges; and describes the advance and refund provisions, including a description of the mechanisms for collecting and rebating the amount charged equitably among the customers who paid for the cost of the line, and provides the time period during which the advance and rebate provisions apply.

Rule 11: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Rule 12: Multiple Residences/Commercial Users

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any property consisting of more than one residential/commercial unit, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

Rule 13: Utility Access to Private Property ([OAR 860-036-1370, -1500](#))

Customers shall provide regular access to Utility-owned service lines that may extend onto the customer’s premises for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

Rule 14: Restriction on Entering a Customer Residence ([OAR 860-036-1330](#))

No Utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

REFUSAL OF SERVICE

Rule 15: Refusal of Service Due to Customer Accounts ([OAR 860-036-1270](#))

The Utility may refuse to provide service if:

- A. The applicant has amounts owing under a tariff or statement of rates; or
- B. The applicant for residential service has a roommate with amounts owing under a tariff or statement of rates, and the applicant lived with the roommate at the time the amounts owing were incurred.

Exception: If the applicant for residential service was a former residential customer with amounts owing, was involuntarily disconnected for non-payment, and applies for service within 20 calendar days of the disconnection, the Utility must provide service upon receipt of one-half of the amount owed with the remainder due within 30 calendar days. If the former customer fails to pay the remaining amounts within 30 calendar days, the Utility may disconnect service after issuing a 7-calendar day disconnection notice in accordance with [OAR 860-036-1510\(4\)](#).

If service is disconnected, the Utility may refuse to restore service until it receives full payment of all amounts owing, including reconnection charges allowed under [OAR 860-036-1580](#).

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Service shall not be refused for matters not related to water service.

Residential service shall not be refused due to obligations connected with nonresidential service. If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission’s dispute resolution process.

Rule 16: Refusal of Service Due to Utility Facilities ([OAR 860-036-1270](#))

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities, resources or capacity to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant within seven calendar days, informing applicant that the details upon which the Utility’s decision was based may be requested.

The details will include, but not be limited to:

- A. Provide the information required by [OAR 860-036-1100\(2\)](#);
- B. Explain the specific reasons for refusing water service;
- C. Inform the applicant of the right to request details upon which the Utility's decision was based; and
- D. Inform the applicant of the right to dispute the refusal by contacting the Consumer Services Section at the contact information provided in [OAR 860-001-0020\(2\)](#).

Rule 17: Refusal of Service Due to Customer Facilities ([OAR 860-036-1270](#))

The Utility will refuse service to an applicant whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the applicant within seven calendar days stating the reason(s) for refusal and providing information regarding the Commission’s complaint process.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

METERS

Rule 18: Utility Meters ([OAR 860-036-1350](#))

The Utility purchases, owns, maintains, and operates all meters. Meters placed in service will be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the Utility’s control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault will be provided with a suitable cover.

Where additional meters are installed by the Utility or relocated for the convenience of the customer, the actual cost incurred for any meter relocation requested by the customer will be assessed.

The Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Each customer shall provide the Utility with regular access to the meter on the customer’s property. For example, access is not provided if a meter is blocked by barriers including vehicles, fences, rocks, bushes, trees or other objects. Failure to permit access at reasonable times and after reasonable notice by the Utility requesting access is grounds for disconnection. (OAR 860-036-1500). In general, 24” is considered sufficient clearance from obstacles to allow meter access.

Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the Utility shall repair or replace the meter and may bill the customer for the reasonable cost.

Rule 19: Meter Testing ([OAR 860-036-1350](#))

The meter will be tested prior to or within 30 days of installation to determine it is accurate to register not more than two percent error. No meter will be allowed to remain in service if it registers an error in excess of two percent (fast or slow) under normal operating conditions. The Utility will maintain a record of all meter tests and results. Meter test result records will include:

- A. Meter identification number and location;
- B. Reason for making the test;
- C. Method of testing;
- D. The beginning and ending meter readings;
- E. Test results and conclusion; and
- F. All data taken at the time of the test.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Rule 20: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may request that the Utility test the service meter once every 12 months at no cost. Such test shall be made within seven calendar days of the receipt of the request unless the customer fails to provide the Utility reasonable access to the meter. The customer or the customer’s representative has the right to be present during the test, which is to be scheduled at a mutually agreeable time. Within seven calendar days of performing the requested meter test, report shall be provided to the customer stating:

- A. The name of the customer requesting the test and the service address where the meter was tested;
- B. The date the meter test was requested and the date the meter test was performed;
- C. The name of the person performing the test;
- D. The meter identification number and location;
- E. The beginning and ending meter readings; and
- F. The actual test results and conclusion.

If a customer requests a meter test more often than once in any 12-month period, and the test results indicate that the meter is registering within the two percent performance standard, the customer may be assessed a reasonable charge for the test if the charge is included in the Miscellaneous Service Charges Schedule. If the meter registers outside the two percent performance standard, the Utility may not charge the customer for the meter test.

BILLING

Rule 21: Billing Information and Late-Payment Charge (OAR 860-036 1100(2), 1400, and 1430)

All bills, including closing bills, are due and payable at the Utility office within at least 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. The date of presentation is the date on which the Utility mails the bill.

As near as practical, meters shall be read **(check one)** monthly, bimonthly, or quarterly on the corresponding day of each meter reading or billing period. The bill will be rendered immediately thereafter. The Utility will provide its customers with timely billings every month or as indicated in its tariffs or statement of rates.

All water service bills will show:

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

- A. Separate line items for past due balance, payments and credits, new charges, late fees, and total account balance;
- B. The date new charges are due;
- C. Calculation of new charges including base or flat rate, usage billing tiers and rates, beginning and ending meter readings, the dates the meter was read, rate schedule, billing period, and number of days in the billing period;
- D. The date any late payment charge was applied and an explanation of the terms of the late payment charge; and
- E. Any other information necessary for the computation of the bill.

A late-payment charge may be assessed against any account that has an unpaid balance when the next bill is being prepared. The charge will be computed on the delinquent balance owing at the time of preparing the subsequent month’s bill at the late-payment rate specified in the Miscellaneous Service Charges Schedule. The late-payment rate is determined annually by the Commission, and the Utility will be notified of the rate.

If an account is permitted to become delinquent, the Utility may disconnect water service by giving proper notice to the customer as provided in Rules 28 & 29, prior to or after the Utility assesses the late payment charge.

Rule 22: Returned Payment Charge

The Returned Payment Charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

Rule 23: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 31-day month. For metered services, a reasonable effort will be made to read the meter upon opening and closing a customer’s account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

Rule 24: Adjustment of Bills ([OAR 860-036-1440](#))

When an overbilling occurs, the Utility will refund or credit amounts incorrectly collected. No refund or credit will be issued for incorrect billings which occurred more than three years before the incorrect billing was discovered.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

When an underbilling occurs, the Utility will issue a bill to collect amounts owing for the 12-month period ending on the date on which the water utility issued the last incorrect bill. When such under collected amounts are billed to customers, the Utility will provide written notice to the customer detailing:

- A. The circumstances and time period of the billing error;
- B. The corrected bill amount and the amount of the necessary adjustment;
- C. The Commission’s consumer complaint process; and
- D. The right for a current or former customer to enter into a time-payment agreement with the Utility.

The Utility will not bill for services provided more than two years before the underbilling was discovered. No billing adjustment will be required if a meter registers less than two percent error under conditions of normal operation. The Utility may waive rebilling or issuing a refund check when the costs make such action uneconomical.

Rule 25: Transfer Billings ([OAR 860-036-1450](#))

If the Utility determines that a customer owes an amount from a closed account the customer previously held with the Utility, the Utility may transfer the closed account balance to the customer's current account.

The Utility will give the customer prior notice of the transfer, including:

- A. The amount due under the prior account; and
- B. The period when the balance was incurred; and
- C. The service address under which the bill was incurred.

If the customer has an amount remaining on an existing time-payment agreement, the customer may enter into a new time-payment agreement to include the transfer. The Utility will not transfer a balance owing on a non-residential account to a residential account.

This rule also applies to customers who change service locations, and who applied for the new service within 20 days of closing the prior account (thereby retaining customer status).

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

DISCONNECTION OF WATER SERVICE

Rule 26: Voluntary Discontinuance ([OAR 860-036-1560](#))

A customer requesting disconnection of service must provide the Utility with at least seven calendar days' advance notice. The customer is responsible for all service provided for seven calendar days following the request for disconnection or until service is disconnected, whichever comes first; or if the customer identified a specific date for disconnection in excess of seven calendar days, the customer is responsible for service rendered up to and including the requested date of disconnection.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

Nothing in this rule prevents the Utility from temporarily interrupting service to protect the health and safety of its customers or to maintain the integrity of its system.

Rule 27: Emergency Disconnection ([OAR 860-036-1630](#))

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in [OAR 860-036-1630](#). Immediately thereafter, the Utility will notify the customer and the Commission. When the emergency termination was through no fault of the customer, the Utility shall not charge the customer for disconnection or restoration of service.

Rule 28: Disconnection of Water Service Charge for Cause ([OAR 860-036-1500](#), [-1510](#), [-1520](#), [-1530](#), and [1550](#))

The Utility may disconnect service when:

- A. A customer fails to pay charges due for services rendered under a water utility tariff or statement of rates;
- B. A customer fails to pay a deposit, fails to timely provide a surety under [OAR 860 036-1230](#) or comply with its terms, or fails to comply with the terms of a deposit installment agreement under [OAR 860-036-1240](#);

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

- C. A customer fails to comply by the terms of a payment agreement under [OAR 860 036-1240\(3\)](#) or [860-036-1420](#);
- D. A customer provides false identification to establish or to continue service;
- E. A customer has facilities that do not comply with the applicable codes, rules, regulations, or the best practices governing safe and adequate water service, including compliance with the water utility's Cross Connection Control Program;
- F. A customer fails to provide reasonable access to the meter or premises;
- G. A customer tampers with water utility facilities or engages in theft of service or unauthorized use of water;
- H. A customer fails to comply with water restriction requirements under [OAR 860-036-1670](#); or
- I. The Commission approves the disconnection of service.

If the disconnection is due to failure to pay a deposit, secure a surety agreement, abide by a deposit installment agreement, abide by the terms of a payment arrangement, or due to the theft of service, tampering with utility property, diverting water, or unauthorized use of water, the Utility will provide one 7-day written disconnection notice prior to disconnection. For other disconnections, the Utility will provide two written notices in advance of disconnection: one 15-day notice and one 7-day notice.

If the disconnection is due to a customer’s failure to comply with a water use restriction imposed under [OAR 860-036-1670](#), the utility may disconnect the customer without issuing either a 15-calendar day or 7 calendar day disconnection notice.

The notices shall include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility,
- B. State that the customer’s water service is subject to disconnection on or after a specific date;
- C. Provide the grounds for the proposed disconnection;
- D. State what actions the customer must take in order to avoid disconnection; and
- E. A statement that the customer may dispute the disconnection by contacting the Commission’s Consumer Services Section.

If the disconnection notice is for nonpayment, the notice shall also include:

- A. The amount the customer must pay to avoid disconnection;
- B. Provide information about the customer’s eligibility for a time-payment agreement provided in [OAR 860-036-1420](#) for residential customers, unless the customer is being

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

disconnected for failing to comply with an existing time-payment agreement or has engaged in theft of service, tampering with utility property, diverting water, or unauthorized use of water; and; and

- C. A statement that once service is disconnected, the water utility will reconnect service only after the customer reapplies for service and pays all applicable charges..

The 7-calendar day and 15-calendar day advance written notices of disconnection will be hand-delivered in person to the customer or adult at the premises, or sent by the US Mail to the customer’s billing address and designated representative. Mailed notices are considered served two calendar days after deposited in the US Mail, excluding Sundays and postal holidays. If the customer has requested to receive notices electronically, the Utility will provide an electronic notice in addition to the written notices.

Within 48 hours of disconnection, the Utility will make a good-faith effort to contact the customer or an adult at the residence and provide notice of the proposed disconnection. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer’s premise informing the customer that service has been disconnected.

Disconnection of Water Service to Tenants:

- A. If a water utility's records show that a residential billing address is different from the service address, the water utility must mail a duplicate notice to the service address, unless the utility has verified that the service address is occupied by the customer.
- B. If a water utility's records show that the service location is a master-metered, multi-dwelling service address, the water utility must provide a duplicate of the 7-calendar day disconnection notice to each unit at the service address. The disconnection notice must be addressed to "Tenant." The envelope must bear a bold notice stating, "IMPORTANT NOTICE REGARDING DISCONNECTION OF WATER UTILITY SERVICE." Tenant notices may not include the dollar amount owing.
- C. The water utility must notify the Consumer Services Section at least seven calendar days before disconnecting service to a master-metered, multi-dwelling premise.

Time Payment Agreements ([OAR 860-036-1420](#))

Customers who are notified of pending disconnection, due to reasons other than theft of service, tampering, unauthorized use of water, or failure to abide by the terms of a Time Payment Plan, may choose between two Time Payment Agreement options. The Utility will offer such customers a choice of a levelized-payment plan and an equal-pay arrearage plan. The Utility and customer may mutually agree to an alternate payment arrangement provided it be in writing and signed by all parties.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Disconnection for Failure to Comply With a Time Payment Agreement
[\(OAR 860-036-1510\(4\)\(b\)\)](#)

A time-payment agreement disconnection occurs when a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the Utility permits a time-payment agreement charge to become delinquent. The Utility will give the customer a 7- day written notice before the water service may be disconnected.

Rule 29: Disconnection, Reconnection and Field Visit Charge [\(OAR 860-036-1580\)](#)

Disconnection and Reconnection Charges

When service was disconnected pursuant to [\(OAR 860-036-1500\)](#), the Utility may charge the disconnect fee and reconnect fee stated in its tariff prior to reconnecting service.

Field Visit Charge

The Utility may assess a field visit charge whenever the Utility visits a residential service address intending to reconnect or disconnect service, but due to customer action, the Utility is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge is listed in the tariff.

Rule 30: Unauthorized Restoration of Service [\(OAR 860-036-1590\)](#)

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the Utility should turn it on, the water service line may be disconnected as provided by [OAR 860-036-1510](#).

Rule 31: Unauthorized Use [\(OAR 860-036-1590\)](#)

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises without written permission of the Utility. If the Utility discovers that a customer tampered with or engaged in unauthorized use of utility property facilities, the Utility shall notify the customer of the violations and may take one or more of the following actions:

- A. Repair or restore the facilities and charge the customer the costs incurred;
- B. Adjust the customer’s prior billing for loss of revenue under applicable tariffs or schedule of rates;

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

- C. Initiate a service disconnection as provided by [OAR 860-036-1510](#);
- D. Require a new application for service that accurately reflects the customer’s proposed water use; and
- E. Assess a deposit for restored or continued service.

Rule 32: Interruption of Service ([OAR 860-036-1630, -1640](#))

The Utility may perform an unscheduled interruption of service as necessary to protect the health and safety of its customers or to maintain the integrity of its system. If an unscheduled interruption of service is required, the water utility must:

- A. Make a reasonable effort to notify the customers affected and the Consumer Services Section in advance of the interruption;
- B. Report the unscheduled interruption to the Consumer Services Section at the contact information provided in [OAR 860-001-0020\(2\)](#), and
- C. Restore service as soon as it is reasonably possible after resolving the issue, unless other arrangements are agreed to by the affected customers.

The Utility may schedule water service interruptions for maintenance and repairs in such a manner that reasonably minimizes customer inconvenience. The Utility will provide advance written notice to all customers affected by any scheduled service interruption, and will post the notice in the utility’s office and on its website, if available. The notice will include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- B. The date, time, and estimated duration of the scheduled interruption;
- C. The purpose of the interruption;
- D. A statement cautioning customers to avoid using water during service interruptions to prevent debris in the customers' service lines; and
- E. The contact information for the Consumer Services Section provided in [OAR 860 001-0020\(2\)](#).

Notices of scheduled interruptions of service must be served by a door hanger or personal delivery to an adult at the affected premises at least five calendar days in advance of the service interruption or by US Mail at least ten calendar days prior to the service interruption. In addition electronic notice must be provided to customers who requested to receive notices electronically.

Rule 33: Water Usage Restrictions ([OAR 860-036-1670](#))

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. During times of water shortage, the Utility will equitably apportion its available

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

water supply among its customers with regard to public health and safety. In times of water shortages, the Utility may restrict water usage after providing written notice to its customers and the Consumer Services Section. Notice will also be posted in the Utility’s office and on its website, if available. The notification must state the reason and nature of the restrictions, the date restrictions will become effective, the estimated date the restrictions end, and that failure to comply with the restrictions is grounds for disconnection.

If a customer fails to comply with the water restrictions after receiving written notification, the Utility will provide a separate written warning letter to the customer including:

- A. The date;
- B. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- C. The customer’s name, account number, mailing address, service address if different;
- D. The water use restrictions and statement of how the customer is violating those restrictions;
- E. A statement that the customer’s water service is subject to disconnection on or after a specific date;
- F. A warning to the customer that failure to immediately comply with the restrictions may result in disconnection of service; and
- G. A statement that the customer may dispute disconnection by contacting the Consumer Services Section. The notice must include the Consumer Services Section’s contact information provided in [OAR 860-001-0020\(2\)](#).

If a customer fails to comply with the water restrictions after receiving written notification and the warning letter, the Utility will consult with the Consumer Services Section to determine if disconnection is appropriate.

Rule 33A: Damages/Tampering

Should damage result to any of the Utility’s property from molesting or willful neglect by the customer to a meter or meter box located in the customer’s building or on the customer’s property, the Utility will repair or replace such equipment and will bill the customer for the costs incurred.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

SERVICE QUALITY

Rule 34: Adequacy of Water Service ([OAR 860-036-1600](#))

The Utility will maintain its facilities according to industry rules, regulations, and standards and in such condition to provide safe, adequate, and continuous service to its customers.

The Utility will not intentionally diminish the quality of service below the level that can reasonably be provided by its facilities.

Rule 35: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the Utility visit the customer’s premises to remedy a service problem and the problem is due to the customer’s facilities.

Rule 36: Water Purity ([OAR 860-036-1610](#))

The Utility will provide a domestic water supply that is free from bodily injurious physical elements and disease-producing bacteria and reasonably free from elements that cause physical damage to customer property, including but not limited to pipes, valves, appliances, and personal property.

Rule 37: Water Pressure ([OAR 860-036-1650](#))

The Utility will maintain adequate water pressure. In general, water pressure measuring between 45 and 80 pounds per square inch in the water mains is considered adequate. However, adequate pressure may vary depending on each individual water system.

The Utility may temporarily reduce or increase water pressure for fire flows, noticed repairs and maintenance, scheduled or emergency flushing, and unscheduled or emergency repairs and outages.

Rule 38: Pressure Surveys ([OAR 860-036-1650](#))

The Utility will maintain permanent pressure recording gauges at various locations to measure the system's water pressure, and will have a portable gauge to measure water pressure in any part of the system. The Utility will maintain all pressure gauges in good operating condition, test periodically for accuracy, and recalibrate or replace when necessary.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.

Rule 39: Customer-Requested Pressure Test ([OAR 860-036-1660](#))

Upon customer request, the Utility will perform a water pressure test within seven calendar days of the request. The first pressure test in any 12- month period will be at no charge. If the customer requests an additional pressure test within any 12-month period at the same premises, the Utility will assess the customer a charge in accordance with the service charges set forth in Schedule 9 of the tariff. The pressure will be measured at a point adjacent to the meter on the customer service line or other reasonable point most likely to reflect the actual service pressure.

The Utility will provide a written report to the customer within seven calendar days of the pressure test. The report will include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- B. The customer’s name and service address where the pressure was tested;
- C. The date the pressure test was requested and the date the pressure test was performed;
- D. The name of the company or employee performing the test;
- E. The place where the pressure was measured;
- F. The actual pressure reading; and
- G. The conclusion based on the test result.

Rule 40: Utility Line Location (One Call Program)

The Utility and its customers will comply with the requirements of [OAR 952-001-0010](#) through and including [OAR 952-001-0090](#) (One Call Program) regarding identification and notification of underground facilities.

Rule 41: Cross Connection/Backflow Prevention Program ([OAR 860-036-1680](#))

All customers must comply with the Utility’s Cross Connection Control Program to protect the water system from contamination. A customer's failure to comply is grounds for disconnection under [OAR 860-036-1500](#).

The Utility will comply with the rules and regulations for the Cross Connection/Backflow Prevention Program, as provided in [ORS Chapter 333](#) and the Utility’s approved Backflow Prevention tariff or statement of rates.

Issue Date / Filing Date	4/26/2023	Effective for Service on or after	1/1/2024
Issued By Utility	Lakeshore Water Company, LLC		

Advice No.